PUBLIC DISCLOSURE

December 1, 2008

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

PROFICIO BANK
Certificate Number: 35495

420 East South Temple, Suite 520
Salt Lake City, Utah 84111

Federal Deposit Insurance Corporation
25 Jesse Street at Ecker Square, Suite 2300
San Francisco, California 94105

NOTE: **This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

TABLE OF CONTENTS

GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of ***Proficio Bank (Proficio)*** *prepared by the* ***Federal Deposit Insurance Corporation****, the institution's supervisory agency, as of* ***December 1, 2008****. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 345.*

This evaluation relied upon records and reports provided by the bank, publicly available loan and financial information, demographic data, and information gathered as part of the evaluation process, including recent community contacts. A review of FDIC records, as well as the bank's CRA public file, did not reveal any complaints relating to the bank's CRA performance since the previous evaluation.

Specialized terms used in this evaluation are defined in Appendix A.

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated SATISFACTORY.

Proficio's CRA performance depicts a satisfactory practice of providing for the credit needs of its assessment area in a manner consistent with its product focus, resources, and capabilities. The following narrative supports this rating:

- An analysis of loans reveals an excellent penetration of lending among businesses with gross annual revenues of $1 million or less.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. No unexplained lending gaps were identified.
- A significant majority of the bank's loans are located outside the institution's assessment area; however, based upon the bank's nationwide lending strategy the performance is reasonable.
- The bank's average net loan-to-deposit (ANLTD) ratio is more than reasonable, given the institution's size, financial condition, and assessment area credit needs.
- The bank has not received any complaints relating to its CRA performance.
- Community development investment and service performance demonstrates an overall adequate responsiveness to the community credit needs and further supports the overall satisfactory CRA rating.

In addition, there were no substantive violations found with regard to the provisions of anti-discrimination legislation, including the Equal Credit Opportunity and Fair Housing Acts found during the July 23, 2008, Compliance and Fair Lending Examination.

SCOPE OF THE EVALUATION

This evaluation utilizes the Small Bank Procedures. To assess the institution's performance with respect to the Small Bank Procedures, the following five lending performance criteria are analyzed: the bank's quarterly ANLTD ratio; level of lending within its assessment area; distribution of lending to businesses of different sizes; geographic distribution of loans; and response to any consumer complaints regarding its CRA performance. Since Proficio is a nationwide commercial lender, emphasis for this performance evaluation was predominately based on the qualified community development investment and service activities.

This evaluation reflects Proficio's CRA performance since the merger and acquisition of Volvo Commercial Credit Corp., of Utah (Volvo) approved on December 29, 2006. This evaluation was conducted from the bank's main office in Salt Lake City, Utah. Examiners evaluated Proficio's CRA performance in the context of the following:

- The current economic environment;
- Demographic characteristics of its assessment area;
- Lending and community development opportunities within its assessment area;
- Bank financial resources and constraints;
- Bank product offerings and business strategy;
- Information derived from community contacts;
- Performance of similarly situated institutions, if any; and
- Community development lending, investments, and services at the request of bank management.

The evaluation focuses on the institution's commercial purpose lending activity (commercial real estate, commercial construction/land development, and commercial/retail loans) because these products are the primary lending focus of the bank. The September 30, 2008, Report of Condition and Income shows that over 61 percent of the lending portfolio is commercial purpose, see Table 3 for more detail.

While construction/land development loans comprise approximately 24 percent of the loan portfolio, the consumer purpose loans were not analyzed because this product is normally not reviewed in CRA evaluations and this product is not a primary lending focus of the bank. Residential real estate loans to 1 to 4 family units have been originated and account for 15 percent of the lending portfolio, and are included in the Home Mortgage Disclosure Act (HMDA) review. The bank has not originated loans for home equity, credit card, revolving credit plans, multi-family real estate, agriculture, or other consumer loan products.

To evaluate the institution's performance, examiners reviewed the most recent 12 months (November 30, 2007, through December 1, 2008) of loan activity. These 12 months comprise the "review period." A sample of 43 loans totaling $188 million was randomly selected from the universe of commercial purpose loans originated or purchased during the review period. The loans were chosen from an electronic data download of the institution's loan portfolio, as of

December 1, 2008. The universe of commercial purpose loans comprised 83 loans, totaling $190 million. The corresponding credit files for the randomly selected loans were reviewed for business gross annual revenues and geographic location. The sample was then geographically located through the use of computer software to identify those loans that are in and outside of the assessment area.

Additionally, examiners reviewed the bank's collected HMDA data for 2008, the bank was not required to collect this data until January 1, 2008, and will report this data by March 1, 2009. The bank has collected data on 221 loans totaling $52 million for the first 6 months of 2008. This data will only be used in the lending in the assessment area criterion because only 1 loan totaling $62 thousand is located in the bank's assessment area. No further analysis of the remaining four lending factors will be completed.

The 2007 D&B business data and the 2000 U.S. Census information are presented for comparison purposes. The D&B data is based on the geographic location, using 2000 U.S. Census boundaries, of the total number of businesses within the assessment area and the reported gross sales of those businesses. The Census information is based on the geographic location using 2000 U.S. Census boundaries, of the total number of housing units and families and the gross annual income levels of families within the assessment area.

DESCRIPTION OF INSTITUTION

Proficio is located in Salt Lake City, Utah, and is a commercial retail bank with gross loans of $143.8 million, total deposits of $106 million, total assets of $169.7 million, and a negative net income of $5.4 million as of the September 30, 2008, Report of Condition and Income (CALL Report). The bank has average assets of $123 million which reveal a marked increase from $40 million as of the September 30, 2007, Uniform Bank Performance Report.

The bank began business January 1, 2007, after the December 29, 2006, approval of the merger with Volvo Commercial Credit Corp. (Volvo). The merger resulted in new total assets of $2.8 million, which included $160 thousand in loans and $500 thousand in deposits. The bank's lending program began after March 31, 2007, and primarily focused on specialized banking and mortgage services to selected industries whose business involves the purchase of a home, such as the corporate relocation, homebuilding, and real estate brokerage industries.

Proficio is wholly owned by NHB Holdings, Jacksonville, Florida; a one bank holding company. Table 1 provides further detail the locations of the holding company, mortgage subsidiary, and loan production offices along with the census tract designations of these offices. Additionally, the bank has entered into various joint ventures with third-party relocation groups for the purpose of offering residential mortgage loans to individuals in the process of relocating. Table 2 details the joint venture locations and census tract designations of the locations.

Table 1

Name	Location	Census Tract Income Designation	Date Opened	Date Closed
Proficio Bank	420 East South Temple, Salt Lake City, Utah	Moderate	1/1/2007	
Proficio Mortgage Ventures	10151 Deerwood Park Blvd, Jacksonville, Florida	Upper	1/1/2007	
Proficio Loan Production Office	8500 Bluffstone Cove, Austin, Texas	Upper	1/2008	9/30/2008
Proficio Loan Production Office	10151 Deerwood Park Blvd, Jacksonville, Florida	Upper	March 2007	
NHB Holdings, Inc	10151 Deerwood Park Blvd, Jacksonville, Florida	Upper	12/29/2006	

Source: Bank Records

Table 2

Joint Ventures	Location of Offices	Census Tract Income Designation
TheMIGroup Mortgage Resources	Whippany, New Jersey	Upper
Capital Relocation Mortgage	Sterling, Virginia	Upper
IRIS Mortgage	Pittsburgh, Pennsylvania	Moderate
NRI Mortgage	Buffalo Grove, Illinois	Upper
Plus Relocation Mortgage	Minneapolis, Minnesota	Middle

Source: Bank Records

Proficio provides specialized banking services, including: commercial loans and lines of credit to relocation companies, housing construction loans, land acquisition, and development loans to homebuilders in selected markets. Residential mortgage loans are offered through Proficio Mortgage Ventures, Jacksonville, Florida; a wholly owned subsidiary of the bank. The bank has no retail branch offices, but operates a loan production office in Jacksonville, Florida and operated a loan production office in Austin, Texas. Lobby hours are 8:00 a.m. to 5:00 p.m. Monday through Friday. The bank does not carry cash on its premises and walk-in lobby traffic is limited. The bank does not operate automated teller machines, does not offer debit or electronic transfer devices, and the bank's website does not offer deposit account activities.

The composition of the bank's loan portfolio as depicted in the September 30, 2008, CALL Report is presented in Table 3. As shown, the largest loan type is commercial purpose lending with commercial and retail loans totaling 43 percent, and commercial real estate totaling 18 percent or 61 percent of the bank's gross lending. Construction/land development loans are the next largest category at 24 percent of the loan portfolio followed by residential real estate lending for first and second liens totaling 15 percent of gross loans.

Table 3

Loan Type	Dollar Amount (in 000s)	Percent of Dollar Amount
Construction, land development, and other land loans	34,914	24
Secured by farmland (including farm residential and other improvements)	0	0
Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	0	0
Closed-end loans secured by first liens on 1-4 family residential properties	21,574	15
Closed-end loans secured by junior liens on 1-4 family residential properties	580	Nominal
Secured by multifamily (5 or more) residential properties	0	0
Secured by non-farm nonresidential properties	26,150	18
Loans to finance agriculture production and other loans to farmers	0	0
TOTAL REAL ESTATE	**83,218**	**57**
Commercial and retail loans	63,133	43
Revolving credit plan loans to individuals for household, family, and other personal expenditures (i.e. consumer loans)	0	0
Other consumer loans (includes single payment, installment, and all student loans)	0	0
Obligations of states and political subdivisions in the U.S.	0	0
Other loans	0	0
Unearned income on loans reflected above	0	0
TOTAL LOANS	**146,351**	**100**

Source: Report of Condition and Income (CALL Report), September 30, 2008,

The bank operates in highly competitive markets. According to the FDIC/OTS Summary of Deposits for June 30, 2008, there are 58 financial institutions operating 260 offices in the Salt Lake County. These institutions hold $201 billion in deposits with Proficio ranked 33rd with 0.06 percent of the county's total deposits.

Volvo received a "Satisfactory" rating at its last CRA Performance Evaluation, dated January 13, 2003. Volvo's evaluation was based upon a Strategic Plan approved January 2002. No legal impediments exist that would prohibit Proficio from meeting the credit needs of its assessment area.

DESCRIPTION OF ASSESSMENT AREAS

The CRA of 1977 (12 U.S.C. 2901), as amended, requires an institution to identify one or more "assessment areas" within which its regulatory agency will evaluate the institution's performance. An assessment area is an area that includes the geographies in which the institution has its main office, branch offices, and other deposit-taking remote service facilities, as well as the surrounding geographies in which the institution has originated or purchased a substantial portion of its loans. Assessment areas must consist of one or more whole block numbering areas or census tracts, which are statistical subdivisions of a county. Census tracts are delineated for all metropolitan areas and other densely populated counties.

Proficio has defined its assessment area as Salt Lake County, which is part of the Salt Lake City Utah Metropolitan Statistical Area (MSA) #41620. This assessment area meets regulatory requirements. The MSA is comprised of two counties: Salt Lake County and Utah County.

Table 4 shows the breakdown of the geographic income characteristics of the 193 census tracts in the assessment area based on 2000 U.S. Census data, along with other selected demographic data. The census tracts are categorized into 4 geographic income categories based on the 2000 Median Family Income for the MSA of $54,000.

Table 4 - Demographic Information for SALT LAKE COUNTY

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies - Census Tracts	193	3	22	47	28	0.00
Population by Geography	898,387	1	23	49	27	0.00
Owner-Occupied Housing by Geography	203,690	0	17	52	31	0.00
Business by Geography	90,231	8	24	40	28	0.00
Farms by Geography	1,339	4	18	43	35	0.00
Family Distribution by Income Level	215,864	17	20	25	38	0.00
Distribution of Low and Moderate Income Families throughout Assessment Area Geographies	79,691	1	36	49	14	0.00
Median Family Income Housing and Urban Development (HUD) Adjusted Median Family Income for 2007 Households Below Poverty Level		54,586 60,100 8.00%	Median Housing Value Unemployment Rate (2008)		165,698 3.00%	

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2000 U.S. Census and 2007 HUD updated Median Family Income.

Salt Lake County is the most populous county in the State of Utah. The county's average annual growth rate from 2005 to 2006 has been 1.8 percent, below the state average of 2.4 percent. Salt Lake County's average household size is 2.9 people per household compared to the state average of 3.07 people per household.

Economy

The agricultural production in Salt Lake County is expected to decrease as urbanization of the county converts agricultural lands into residential, retail, and retail uses. However, in 2006, there was a higher demand for grain as a source of energy, especially corn for the production of ethanol.

Utah's robust and diverse economy continues to attract new business, job seekers, and others to the state, resulting in a building boom. The health and stability of the Salt Lake market has proven to be a magnet for national investors, as well as real estate investments. Even with the tremendous growth the area is experiencing, Salt Lake County remains a highly attractive and affordable metropolitan area.

Utah ranks second in the nation for the percentage of households with computers. Several cities in Salt Lake County are also members of UTOPIA, a private, non-profit organization providing an ultra-broadband fiber optic network available to every home and business within their city. Construction has already begun in a number of cities including: Midvale, Murray, and West Valley City.

Other significant advantages the State of Utah offers employers is the quality and growth of its work force. Utah's 2006 employment growth of 5.2 percent was among the highest in the U.S. and was nearly four times the national average. The unemployment rate averaged 3.3 percent for 2006. In 2007, the unemployment rate was 3.6 percent with an employment rate of 1.6 percent. In Salt Lake County, job growth was 3.4 percent for 2006. It is anticipated that job growth in 2007 will continue to be strong, in the 4.5 percent range.

Utah is known to have the youngest labor force of any state and its workers are among the healthiest. The United Health Foundation ranks Utah fifth nationally in overall health. The state has the lowest death rate for cancer, and second lowest rate for heart disease. Major employers often note the low absenteeism of their Utah workforce. Furthermore**,** due to Utah's high birth rate, employers also benefit from a labor supply that will continue to grow at more than twice the national average rate. Utah is one of only a few states in the country with a growing indigenous labor force.

The bank's assessment area is home to most of the major insured financial institutions in the state, including several regional banks, several credit unions, and many other retail loan companies.

Community Contacts

Two contacts were reviewed to determine the financial services and community needs within the Salt Lake County assessment area. One contact revealed a need for student loans within the assessment area. The other contact revealed a strong ongoing need for affordable housing within the county.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Five performance criteria are evaluated to determine the bank's CRA performance and assigned rating. The criteria centers around the bank's lending activity within its assessment area. Since a significant majority of the bank's loans are centered outside of the assessment area, most of weight in this evaluation is placed on Proficio's community development activities. Each of the five criteria and the community development activities are discussed on the following pages.

Loan-to-Deposit Ratio

Proficio's ANLTD ratio is more than reasonable given the bank's size, competitive forces, age, and assessment area credit needs. This ratio measures the relationship of funds deposited in the bank to funds loaned out and the extent to which the bank utilizes its deposit resources to extend credit. The ANLTD ratio since the 2003 evaluation of Volvo is calculated using 22 quarters and results in an ANLTD ratio of 581.61 percent. This ratio is dramatically overstated because of the limited volume of lending reported by Volvo. Looking solely at the Proficio ANLTD ratio performance since the merger in December 29, 2006, shows a 154.47 percent ANLTD ratio during the 7 quarters since merger. The ANLTD ratio does not include the HMDA lending that is subsequently sold on the secondary market and has totaled $52 million in 2008.

For comparison purposes, a bank's ANLTD ratio is generally compared to the ratios of other financial institutions that are similar in product, and size. These banks are Brighton Bank, Home Savings Bank, and Celtic Bank. Celtic Bank is a commercial industrial bank; the other two banks are retail banks. The ANLTD ratio for each of these banks over the past 7 quarters are detailed in Table 5. The table depicts that Proficio maintains a strong ANLTD ratio of over 150 percent, which shows the bank's commitment to lending, exceeding the similar banks in this performance factor.

Table 5 –Similarly Situated Banks

Financial Institution	Location	ANLTD (%)	Total Assets (in 000s)
Proficio Bank	**Salt Lake City**	**154.47**	**169,652**
Brighton Bank	Salt Lake City	66.91	156,158
Home Savings Bank	Salt Lake City	105.03	142,970
Celtic Bank	Salt Lake City	109.36	152,097

Source: September 30, 2008, Consolidated Reports of Condition (Call Reports)

Lending in Assessment Area

This performance criterion measures the volume of loans originated within the bank's designated assessment area relative to its total lending activities. It is an indicator of the level of service within the assessment area.

Proficio's lending in its assessment area is reasonable based upon a business strategy of nationwide lending. This lending is conducted through its subsidiary mortgage company in Jacksonville, Florida, and its two loan production offices located in Austin, Texas and Jacksonville, Florida.

Table 6 reveals that the bank has originated over 95 percent by number and 77 percent by dollar volume of the HMDA and sampled commercial purpose loans to borrowers located outside of the assessment area. However, this performance is appropriate when considering the bank's nationwide strategy to serve as a lender to relocation companies and a mortgage lender to individuals who are in the process of relocation.

TABLE 6 – DISTRIBUTION OF TOTAL SAMPLED LOANS INSIDE AND OUTSIDE THE ASSESSMENT AREA

Year: 2007 Loan Type	Number of Loans					Dollar Volume of Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total $(000)
	#	%	#	%		$(000)	%	$(000)	%	
HMDA	1	**0.45**	220	99.55	221	62	**0.12**	52,225	99.88	52,287
Commercial	11	**25.58**	32	74.42	43	52,840	**28.13**	134,972	71.87	187,812
Total Loans	12	**4.55**	252	95.45	264	52,902	**22.03**	187,197	77.97	240,099

Source: Bank loan data sampled from November 30, 2007, through December 1, 2008

Lending to Businesses of Different Sizes

The bank's performance evidences its willingness to provide financing to small and start-up businesses. Although Proficio has a low volume of lending within its assessment area, its lending to businesses of different sizes is excellent after considering the bank's business strategy of nationwide lending.

A small business loan is defined as a loan to a business with an original amount or commitment of $1 million or less, while a small business is defined as a business with gross annual revenues of $1 million or less. The distribution of Proficio's sampled commercial purpose loans reflects an excellent dispersion among businesses of different revenue sizes when compared to D&B data.

Table 7 - Distribution of Small Business Loans by Gross Annual Revenues of the Business						
Gross Annual Revenue (000s)	**D&B Non-Farm Data**	**% of Number (#) businesses**	**# of Loans**	**% of #**	**Dollar ($) Amount of Loans (000)**	**% of $**
$100,000 and less	27,794	31	4	36	7,140	13
$100,001 to $250,000	19,115	21	5	46	22,500	43
$250,001 to $500,000	6,369	7	0	0	0	0
$500,001 to $1,000,000	3,676	4	0	0	0	0
Over $1,000,000	4,797	5	2	18	23,200	44
Unknown	28,480	32	0	0	0	0
TOTALS	**90,231**	**100**	**11**	**100**	**52,840**	**100**
Under $1,000,000	57,360	63	9	82	29,640	56
Over $1,000,000	4,391	5	2	18	23,200	44
Unknown	28,480	32	0	0	0	0
TOTALS	90,231	100	11	100	52,840	100

Source: Loans sampled from November 30, 2007, through December 1, 2008; and 2007 D&B data.

As illustrated in Table 7, Proficio's penetration of lending to commercial enterprises within its defined assessment area earning $1 million or less in gross annual revenues (36 percent by number of loans and 13 percent by dollar volume) reflects an excellent distribution among businesses of different sizes. The distribution indicates that 82 percent of the number of the commercial loans was extended to businesses with gross annual revenues of $1 million or less, with 36 percent being in the lowest category of $100 thousand or less. Eighteen percent of the loans were originated to businesses with gross annual revenues over $1 million. D&B reports that 63 percent of businesses in Salt Lake County have gross annual revenues less than $1 million. The bank's performance exceeds D&B data in lending to businesses of differing revenues within the bank's assessment area.

Geographic Distribution of Loans

Proficio's geographic distribution of loans is reasonable. The bank's performance considered the following: low volume of lending within the assessment area; nationwide lending strategy, absence of lending in the low-income tracts; and the excellent lending in the moderate-income tracts.

The dispersion of the commercial loans geographically located within the bank's assessment area are presented in Table 8. The table illustrates that the bank originated no loans within the low-income tracts, and 55 percent of the number and 76 percent of the dollar volume of loans within the moderate-income tracts. The bank's moderate-income tract lending compares very favorably to D&B data. While the bank lacks any lending in its low-income tracts, it is important to note that the low-income tracts only contain 8 percent of the businesses which makes it difficult to penetrate. There are no unexplained lending gaps.

Table 8 – Distribution of Small Business Loans Located in the Assessment Area by the Income Category of the Census Tract							
Income Level	Distribution of Census Tracts (%)	D&B Distribution of Businesses		Number of Loans (#)	% of #	Dollar Amount of Loans ($)	% of $
		Number	% of #				
Low	5	7,607	8	0	0	0	0
Moderate	43	20,523	23	6	55	40,000	76
Middle	90	36,393	40	1	9	1,568	3
Upper	55	25,708	29	4	36	11,272	21
NA	0	0	0	0	0	0	0
TOTALS	**193**	**90,231**	**100**	**11**	**100**	**52,840**	**100**

Source: loans sampled from November 30, 2007, through December 1, 2008; 2007 D&B data; and 2000 U.S. Census.

Response to Complaints

Proficio has not received any CRA-related complaints since the institution's inception.

Fair Lending or Other Illegal Credit Practices Review

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

Qualified Community Development Investments

Proficio's community development investment performance demonstrates an overall adequate responsiveness to the community credit needs. The bank has made 2 qualified investments totaling $639 thousand since starting operations January 1, 2007. This performance amounts to 0.4 percent of assets totaling $170 million and 0.52 percent of average assets totaling $123 million as of September 30, 2008, Uniform Bank Performance Report. Comparing the bank's investment performance against other institutions performance obtained from review CRA performance evaluations shows that the bank's performance is reasonable. The investments respond to identified community development needs of affordable housing to low- and moderate-income families. Descriptions of the qualified investments follow:

- A $126 thousand investment in an organization that strives to assist the State of Utah's low- and moderate-income residents by fostering the development and preservation of quality housing. The corporation serves as a catalyst for community development by offering flexible financing for affordable housing, working with government agencies to maximize leverage of public and private dollars, and providing technical assistance to project sponsors.
- A $513 thousand investment in a mortgage loan pool that contains 10 loans originated to low- and moderate-income individuals and families within the bank's assessment area.

Qualified Community Development Services

Performance in community development services demonstrates an excellent level of activity given the age of the institution and staffing levels with over 700 hours given to worth while organizations. Proficio's management and employees routinely provide their financial expertise to several qualified community development organizations in Salt Lake County. Bank management have served 180 hours to meeting the community development needs for affordable housing, small business financing and development, financial education, and other services for low- and moderate-income families. Additionally, because the bank's performance is satisfactory within its assessment area, services performed outside the assessment area are also included. Holding company staff and subsidiary mortgage staff have served 560 hours in organizations that assist first-time home buyers in obtaining loans, as board members on community development corporations, and as board members of charitable organizations targeting safe harbors for needy families and children, as well as providing financial education efforts. Descriptions of these community development service activities follow:

- A member of management served on the credit committee in a microenterprise loan fund.
- A member of management serves as president and on the board of directors for a family support center whose mission is to help needy families and children.
- A member of the Board of Directors runs a program that helps first-time home buyers purchase a home.
- A member of the Board of Directors is a board member and chairman of the marketing committee of a community development corporation serving three counties in Jacksonville, Florida, for Small Business Administration 504 lending.
- A member of the Board of Directors serves on the board of directors for a children's charity whose mission is to lend help where none is available.
- A member of the Board serves on the board of directors for an organization whose mission is to improve the quality of life for individuals and families in Northeast Florida affected by substance abuse, mental illness, homelessness, HIV/AIDS, and other communicable illness through outreach, prevention, intervention, treatment, and housing services.

APPENDIX A - GENERAL DEFINITIONS

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide non-metropolitan median family income, it a person or geography is located outside an MSA.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: (1) Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; or, (4) activities that revitalize or stabilize: (i) Low-or moderate-income geographies; (ii) Designated disaster areas; or (iii) Distressed or underserved non-metropolitan middle-income geographies designated by the agencies, based on
a. Rates of poverty, unemployment, and population loss; or
b. Population size, density, and dispersion.
Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community as well as to the financial and marketing needs of the bank. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, microenterprise funds, and community development venture capital funds. A certified CDFI must meet eligibility requirements, which include: having a primary mission of promoting community development; serving an investment area or target population; providing development services; maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means; and not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into:
- male householder
- (a family with a male householder and no wife present) or
- female householder
- (a family with a female householder and no husband present).

Full-scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

HUD Adjusted Income Data: The U.S. Department of Housing and Urban Development (HUD) issues annual estimates which update median family income from the metropolitan and non-metropolitan areas. HUD starts with the most recent U.S. Census data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments and branch distribution).

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Low Income Housing Tax Credits: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended, which is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department, through the Internal Revenue Service, distributes low-income housing tax credits to housing credit agencies. The housing agencies allocate tax credits on a competitive basis. Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits or sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains in place throughout the compliance period, usually 30 years.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

Middle-income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units**.**

Non-Metropolitan Area: All areas outside of metropolitan areas. The definition of non-metropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies; for example, there is generally both urban and rural territory within both metropolitan and non-metropolitan areas.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and retail loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as non-mortgage, commercial loans.

Small loan(s) to farm(s): A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.